

# WSDOT-AGC-ACEC Design Build

4/18/2002  
1:00 PM to 3:10 PM  
AGC - Tacoma

Attendees: Max Kuney, Mark Mulvihill, Scott Sawyer, Tom Zamzow, Fred Tharp, Rick Singer, Kim Henry, Jeff Carpenter, Craig McDaniel, Gerry Gallinger

Please read: Current Environmental Permitting List for Design-Build (attached on e-mail)  
DB Issues to be addressed.doc

## Agenda

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## Additional Information

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### Review Risk Matrix

10

The Risk Matrix has been developed over the past several months. This Risk Matrix has been developed to the point that the team agrees that other issues may now be addressed. It is the team's intention that this Risk matrix NOT be considered all-inclusive. Each project will need to further expand certain areas as required.

As items are identified in upcoming meetings the Risk Matrix may be revisited at that time.

### Discussion of Oregon's Design-Build

Max Kuney

15

Oregon has just completed the RFP/Award process for two smaller (6-8 million) Design-Build projects. Both projects were awarded to the team with the lowest bid.

During the RFQ process ODOT made the decision to expand from three to five teams due to the "inherent subjectivity" of the RFQ process. While this may have been justified it frustrated all involved in that that projected bidding risk was increased (more competition). On average – firms spent \$100,000 developing the proposals with a \$35,000 stipend paid by ODOT to non-winning responsive proposals.

Conclusions: The number of short-listed firms is an item that will be addressed by this team.

### Environmental Permitting for D/B

Rick Singer

20

Discussion: Rick has been working on identifying all permits which are required on a project. On each permit Rick will identify: Relative Level of Design Needed, Time to complete application, Time to Complete Regulatory Approval, Degree of Complexity, Degree of Complexity, Degree of Regulatory Variability, Frequency of Permit

This information should help the team to determine which permits could be transferred to the Design-Builder (maximum Design Flexibility) with the least projected impacts to the schedule (\$\$\$). There is still a possibility that WSDOT will have to keep all permitting due to the risk element.

<b>TNB Update</b>	<b>Jeff Carpenter</b>	<b>10</b>
Discussion: The Tacoma Narrows Bridge came out of the last Legislature fully funded. WSDOT is currently in negotiations with Tacoma Narrows Constructors regarding this contract.		
There wasn't a lot I could share at this time regarding this contract. It is hoped that this contract can be executed quickly and work begun within the next six months.		
I would anticipate a more thorough briefing during next month's meeting.		
<b>UCO Update</b>	<b>Dave Dye/Kim Henry</b>	<b>10</b>
Discussion: Urban Corridors has selected a General Engineering Consultant for the Development of the I0-405 Corridor. This GEC will assist UCO in the development of the corridor as well as potentially individual Design-Build projects.		
UCO also hosted a Design-Build Workshop. Much of the needs identified by this workshop are already being addressed by this team (R/W, Environmental, Risk Allocation, etc.). The workshop did a great job of getting a large number of WSDOT individuals engaged in the process		
The Cost Estimate Validation Process (CEVP) is also underway for the "mega" projects. In this process the hard construction dollars are broken out and risk is attempted to be identified and priced. The intention of this effort is to ensure that WSDOT provides adequate funding for the various mega projects. The CEVP process is a significant change for WSDOT in that Designers do not traditionally attempt to estimate risk elements but instead address risk on a program-wide basis through contingencies. Identifying risks/projections on a project level is new for WSDOT.		
<b>Preliminary Design Percentage</b>		<b>15</b>
Discussion: This is one of the most frequently asked questions regarding Design-Build. It is extremely difficult to answer in that a 10%-30% design-effort don't have established deliverables associated with them.		
What has become apparent is that tying Preliminary Design Percentage to the Project Specific Risk Allocation Matrix		
Conclusions: The Guidebook will be modified to include a chapter discussing Risk Allocation (based upon the developed matrix) and the discussion on Preliminary Design Percentage will be modified to focus on adequately defining the level of risk being allocated to either party. This will end up with a very project specific guideline. This information will be clarified and expanded within the Guidebook. Once I get it written I'll bring it to the team for review		
<b>Design Builder's role in RFP Development</b>		<b>15</b>
Discussion: After the Oregon Experience it was agreed that WSDOT should not anticipate heavy Design-Builder involvement tied to the technical solution. The competitive nature of the process will necessitate the Design-Builder's being reluctant to share information with their competitors (not unlike Design-Bid-Build).		
WSDOT can anticipate heavy comments tied to the legal/administrative portions of the contract. Risk Allocation, Bonding, Insurance, Warranties (if any), stipends, etc are items that input can be anticipated.		
If WSDOT wants/needs construction input (not already within WSDOT) on a preliminary design then a separate subconsultant agreement should be sought to obtain this expertise and not anticipate Design-Builder involvement. The same would apply to Design.		
Conclusions: This information will be clarified and expanded within the Guidebook. Once I get it written I'll bring it to the team for review.		

**Establishing Time (A+B, calendar or fixed date**

**15**

Discussion: I guess I'm not a very good note-taker. A whole lot got said on this subject but not a lot to written down.

The question regarding time focused on utilizing a fixed calendar date, working days, or an A+B format (Design-Builder sets the date, scored in the technical portion of proposal)

A Fixed Time Format would transfer weather related risk onto the Design-Builder. All Design-Builders are targeting the same risk/completion date which would produce a level playing field.

A working day format could become extremely difficult to administer (Design vs. Construction CPM). This could be appropriate on some projects.

Allowing contractors to set a completion date (scored in the technical component) could have advantages when schedule is the primary driver for the project.

**Future Items / Homework**

**15**

Discussion: In establishing the agenda for the next meeting it was felt that the team should continue to progress through the task list.

R/W Acquisition/timelines and utility agreements will be dealt with off-line.

Conclusions: Items for next months meeting include: OCIP Insurance, back-up/ownership of owner-supplied information and stipends.